[28th January 1929

(b) Yes.
(c) No.
(d) The Deputy Registrar's action was *bona fide* and purported to be taken under rule XIV of the rules under the Act.
(e) The present acting Deputy Registrar was appointed by the Government. It is a selection appointment to which no one has any claim.
(f) Yes.
(g) The petitioner in the arbitration case urged the Deputy Registrar to take action on the criminal side but the Deputy Registrar did not make any such recommendation to the Registrar.

Mr. T. Adinarayana Chettiyar:—"My question was whether the Deputy Registrar had power to issue an interim stay order and the answer is that the Deputy Registrar's action was *bona fide*. I want to know whether he has the right to issue such an order?"

The hon. Mr. M. R. Seturatnam Ayyar:—"He appears to have no right to issue such an order legally but this is purely a matter of law."

Mr. T. Adinarayana Chettiyar:—"Is it not a fact that he did issue the order most illegally?"

The hon. Mr. M. R. Seturatnam Ayyar:—"The notice purports to issue under Rule XIV."

Mr. T. Adinarayana Chettiyar:—"If it is illegal, will he take notice of the conduct of this officer?"

The hon. Mr. M. R. Seturatnam Ayyar:—"I shall take notice of it."

Alleged memorial regarding the affairs of the Urban Bank at Tiruppattur.

*1040 Q.—Mr. T. Adinarayana Chettiyar: Will the hon. the Minister for Development be pleased to state—

(a) whether some of the members of the Urban Bank, Tiruppattur, North Arcot district, sent a Mahazar on 7th September 1928 to the Assistant Registrar, Co-operative Societies, Vellore, alleging certain serious irregularities such as benami transactions and criminal misuse of funds by the Secretary and asking for a thorough enquiry into the affairs of the said Urban Bank;

(b) what action, if any, has been taken by the Co-operative Officers on the above Mahazar; and

(c) if the enquiry asked for or any enquiry under section 35 of the Co-operative Societies Act has not been held, the reasons why no such enquiry has been held?

A.—(a) A large number of members of the Bank asked the Deputy Registrar to hold an enquiry on the allegation of numerous irregularities and abuses by the present management.

(b) & (c) The Registrar camped at Tiruppattur on 6th December 1928 and received deputations on both sides. He visited the Bank subsequently, looked into some of their books and discussed the matter with the directors and other members present. An enquiry under section 35 of the Co-operative Societies Act is being held.

28th January 1929]

Calculation of interest on loans granted by Co-operative Societies.

*1041 Q.—Mr. T. Adinarayana Chettiyar: Will the hon. the Minister for Development be pleased to state—

(a) whether Mr. Bhupathi, Deputy Registrar, Co-operative Societies, IV Circle, Vellore, held a conference or class of the supervisors and inspectors in the Salem district, early in October 1928 at Salem;

(b) whether it is a fact that he gave instructions to auditors (inspectors) in the Salem district to calculate interest on all loans outstanding, at a uniformly lower rate, viz., $9\frac{3}{8}$ per cent per annum even on loans granted to members on the original stipulated higher rate of 10 per cent or more, even during the currency of the contract stipulating to pay at the higher rates of 10 per cent or more; and

(c) whether the Government will take steps to prevent the giving of such instructions by their officers?

A.—(a) Yes.

(b) No.

(c) The question does not arise.

Mr. T. Adinarayana Chettiyar:—"May I know how the hon. Minister obtained the information? Was it from the person complained against?"

The hon. Mr. M. R. Seturatnam Ayyar:—"It is a report from the Registrar."

Mr. T. Adinarayana Chettiyar:—"Did the hon. Minister take any pains to ascertain the facts?"

The hon. Mr. M. R. Seturatnam Ayyar:—"We credit our departmental heads with honesty unless the contrary is proved."

Mr. T. Adinarayana Chettiyar:—"If some half a dozen instances of the officer having acted as reported to me are brought to his notice will he enquire?"

The hon. Mr. M. R. Seturatnam Ayyar:—"Certainly I will enquire."

Utilization of the Cinema for co-operative propaganda.

*1042 Q.—Mr. A. Ranganatha Mudaliyar: Will the hon. the Minister for Development be pleased to state—

(a) the measures taken by the Government for utilizing the cinema for co-operative propaganda;

(b) whether any prize has been offered for the best drama on any co-operative subject; and

(c) if so, of what sum and with what result?

A.—(a), (b) & (c) The question of utilizing the cinema as a medium of co-operative propaganda as in the Punjab has been under the consideration of Government for some time past A proposal to offer a prize for the best drama on a co-operative subject in order to attract a suitable play for the film is under correspondence with the Registrar of Co-operative Societies.